



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**

**REGION I**

**5 POST OFFICE SQUARE, SUITE 100  
BOSTON, MASSACHUSETTS 02109-3912**

**URGENT LEGAL MATTER  
REQUIRES PROMPT RESPONSE**

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

**MAY 08 2015**

Lynn Benander, CEO and President  
Northeast Biodiesel, LLC  
PO Box 688  
Greenfield, MA 01302

**RE: Clean Air Act Notice of Violation and Reporting Requirement**

Dear Ms. Benander:

The United States Environmental Protection Agency ("EPA") is issuing the enclosed Notice of Violation ("NOV") to Northeast Biodiesel, LLC ("Northeast Biodiesel"), located at 179 Silvio O Conte Drive in Greenfield, Massachusetts, for violations of the Clean Air Act ("CAA" or "the Act").

Specifically, Northeast Biodiesel has violated the Standards of Performance for VOC Emissions from Synthetic Organic Chemical Manufacturing Industry ("SOCMI") Distillation Operations, found at 40 CFR Part 60, Subpart NNN. Northeast Biodiesel also has violated the General Provisions of the Standards of Performance for New Stationary Sources found at 40 CFR Part 60, Subpart A. This NOV is issued under the authority of Section 113 of the Act, 42 U.S.C. §7413 and is included as an enclosure to this letter.

Please note that Northeast Biodiesel may also be subject to the Standards of Performance for Equipment Leaks of VOC in the Synthetic Organic Chemicals Manufacturing Industry for Which Construction, Reconstruction, or Modification Commenced After November 7, 2006, found at 40 CFR Part 60, Subpart VVa, and the Standards of Performance for Volatile Organic

Liquid Storage Vessels (Including Petroleum Liquid Storage Vessels) for which Construction, Reconstruction, or Modification Commenced After July 23, 1984, found at 40 CFR Part 60, Subpart Kb. Given this, EPA encourages Northeast Biodiesel to review the document "Environmental Laws Applicable to Construction and Operation of Biodiesel Production Facilities, EPA-907-B-08-001", (found at [http://www.epa.gov/region07/priorities/agriculture/pdf/biodiesel\\_manual.pdf](http://www.epa.gov/region07/priorities/agriculture/pdf/biodiesel_manual.pdf)). It may help in determining if there are any additional environmental laws/regulations that apply to the facility<sup>1</sup>.

As EPA continues to evaluate Northeast Biodiesel's compliance with the Act, EPA is also issuing Northeast Biodiesel the following Reporting Requirement.

### **Reporting Requirement**

Section 114(a)(1) of the Act, 42 U.S.C. §7414(a)(1), gives EPA the authority to require any person who owns or operates any emission source to establish and maintain records, make reports, sample emissions, and provide such other information as may reasonably be required to enable EPA to determine whether a facility is in compliance with the Clean Air Act. This reporting requirement orders Northeast Biodiesel to provide specific information about its biodiesel production plant.

Within 30 calendar days of receiving this letter, Northeast Biodiesel is required to:

1. Provide the actual date Northeast Biodiesel commenced construction at 179 Silvio O Conte Drive in Greenfield, MA (the date a continuous program of construction was undertaken, or the date a contractual obligation for such a program was entered into).
2. Provide the actual date Northeast Biodiesel ordered any FuelMatic GSX 20 biodiesel processor skid now located at the facility (the date a contractual obligation to purchase the equipment was entered into).
3. Provide a description of each storage tank used or planned to be used to store organic material located at the facility, including:
  - a. Tank storage capacity (in gallons);
  - b. Tank type (e.g. vertical fixed roof);
  - c. Type of material the tank is or will be made of;
  - d. Materials stored or to be stored in the tank. Include the methanol concentration of the materials;
  - e. The maximum true vapor pressure of materials stored or to be stored in the tank (in kilopascals). Include the temperature used in the determination;
  - f. Method of loading and unloading the tank;
  - g. Any controls used or planned to be used to reduce tank emissions. Include the removal efficiency of the controls;

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<sup>1</sup> Note that this document was published in 2008 and therefore does not include any regulations published after that date.



- h. Types of vents on the tank. Include the vent pressure settings; and
  - i. The date vents and vent pressure settings were last tested.
4. Provide a block diagram describing the production process and flow of materials through the process. Also provide a description of each piece of equipment in the process, including:
- a. A physical description;
  - b. An explanation of how the equipment is or will be used (include processing times and liquid transfer rates both in and out of the equipment);
  - c. The capacity of the equipment (in gallons);
  - d. The temperature the material in the equipment is or will be heated to;
  - e. The concentration and partial pressure of methanol in the equipment;
  - f. Any controls used to reduce emissions. Include the removal efficiency of the controls;
  - g. Types of vents on the equipment. Include the vent pressure settings. If equipment is or will be open to the atmosphere for any period of time, indicate when this occurs; and
  - h. The date vents and vent pressure settings were last tested.
5. Provide a description of any process limitations on production rate or throughput, including the resulting maximum rate of flow of materials (e.g., in gallons/hour).
6. Provide the maximum annual biodiesel production capacity (in gallons/year). Include the method of calculation.
7. Provide the average expected ratio of materials to be used in biodiesel production described as:
- a. The ratio of methanol to oil and sulfuric acid to oil added during acid esterification;
  - b. The ratio of methanol to oil and sodium methoxide (or other catalyst) to oil added during transesterification;
  - c. The gallons of glycerin produced per gallon of biodiesel; and
  - d. The gallons of oil feedstock used per gallon of biodiesel.
8. Provide the following information about Northeast Biodiesel's potential-to-emit ("PTE") methanol:
- a. The annual PTE methanol (in tons per year) from loading rack emissions. Include all data and all AP-42 factors used (e.g. EPA AP-42, Volume I, Fifth Edition, Section 5.2.2.1.1<sup>2</sup>), and the actual calculations performed. Indicate if methanol emissions from the unloading of sodium methoxide are included in the calculation;

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<sup>2</sup> Found at <http://www.epa.gov/ttnchie1/ap42/>

- b. The annual PTE methanol (in tons per year) from storage tank emissions. Include all data and all AP-42 factors used (e.g. EPA AP-42, Volume I, Fifth Edition, Section 7.1<sup>2</sup>), and actual calculations performed. Indicate if methanol working and breathing emissions from sodium methoxide and wet glycerin tanks are included in the calculation;
  - c. The annual PTE methanol (in tons per year) from process vents. Include all data and methodology used (e.g., the methodology described in 40 CFR § 63.1257(d)(2)(i)), and actual calculations performed). Indicate which process components are included in the calculation; and
  - d. The annual PTE methanol (tons per year) from fugitive emissions. Include all data and methodology used (e.g., the methodology described in EPA publication EPA-453/R-95-017<sup>3</sup>), and actual calculations performed. Indicate if emissions from all valves, pump seals, compressor seals, pressure relief valves, connectors, open ended lines and sampling connections were included in the calculation. Also indicate whether the valves, pump seals, compressor seals, pressure relief valves, connectors, open ended lines and sampling connections are in gas, light liquid or heavy liquid service and the method used to make this determination.
9. Provide a description of each boiler either currently operated or planned to be operated at the facility, including the following information:
- a. An explanation of how the boiler is used;
  - b. The date the boiler was manufactured;
  - c. The date the boiler was installed;
  - d. The type of fuel used in the boiler;
  - e. The capacity of the boiler (in mmBTU/hr);
  - f. The date the boiler last had a tune up; and
  - g. The date the boiler last had an energy assessment.

Northeast Biodiesel may, if desired, assert a business confidentiality claim covering part or all of the information requested, in the manner described by 40 C.F.R §2.203(b). Information subject to such a claim will be disclosed by EPA only to the extent, and by means of the procedures, set forth in 40 C.F.R. Part 2, Subpart B. Note that certain categories of information, such as emissions data, are not properly the subject of such a claim. If no such claim accompanies the information when it is received by EPA, the information may be made available to the public by EPA without further notice to Northeast Biodiesel. Please be aware that states may have different rules and regulations governing the protection of confidential business information.

If you have any questions regarding this reporting requirement or the enclosed NOV, please contact Darren Fortescue, Environmental Engineer, at (617) 918-1162, or have your attorney call Thomas T. Olivier, Senior Enforcement Counsel at (617) 918-1737.

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<sup>3</sup> Found at <http://www.epa.gov/ttn/chief/efdocs/equiplks.pdf>

Sincerely,

*Susan Studlien*

Susan Studlien, Director  
Office of Environmental Stewardship

Enclosure: Northeast Biodiesel, LLC NOV

cc: Saadi Motamedi, MassDEP, WERO





**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION I – NEW ENGLAND**

IN THE MATTER OF

Northeast Biodiesel, LLC  
179 Silvio O Conte Drive,  
Greenfield, Massachusetts 01301

**NOTICE OF VIOLATION**

**STATUTORY AUTHORITY**

1. The United States Environmental Protection Agency, Region I (“EPA”) issues this Notice of Violation (“NOV”) to Northeast Biodiesel, LLC (“Northeast Biodiesel”), for violations of the Clean Air Act (“CAA” or “the Act”) at its facility located on 179 Silvio O Conte Drive in Greenfield, Massachusetts.
2. Specifically, Northeast Biodiesel has violated and continues to violate the Standards of Performance for Volatile Organic Compound (“VOC”) Emissions From Synthetic Organic Chemical Manufacturing Industry (“SOCMI”) Distillation Operations found at 40 CFR Part 60, Subpart NNN (“Subpart NNN”). In addition, Northeast Biodiesel has violated the General Provisions of the Standards of Performance for New Stationary Sources found at 40 CFR Part 60, Subpart A.

**BACKGROUND AND FACTUAL BASES**

3. On June 11, 2014, EPA inspectors performed an inspection at Northeast Biodiesel’s Silvio O Conte Drive facility (“Facility”).
4. During the inspection, Facility representatives stated that construction of the

Facility had begun in 2009 and was for the purposes of building a biodiesel manufacturing facility.

5. During the inspection, Facility representatives stated that in 2012 Northeast Biodiesel ordered and received a "FuelMatic GSX 20" biodiesel processor.
6. The biodiesel processor will produce biodiesel as the primary product and glycerol (glycerin) as a co-product.
7. The reactants to be used in the biodiesel processor are vegetable oil, methanol and a strong base such as sodium methylate.
8. The biodiesel processor includes a distillation unit and a recovery system into which its vent stream is discharged, as defined in 40 CFR §60.661.

#### **NOTICE OF VIOLATION**

9. According to 40 CFR §60.660(a), the provisions of Subpart NNN apply to an affected facility as designated in 40 CFR §60.660(b) if that facility is part of a process unit that produces any of the chemicals listed in 40 CFR §60.667 as a product, co-product, by-product, or intermediate.
10. Glycerol is listed in 40 CFR §60.667.
11. According to 40 CFR §60.660(b)(2) an affected facility is each combination of a distillation unit and recovery system into which its vent stream is discharged, for which construction, modification, or reconstruction commenced after December 30, 1983.
12. Therefore the distillation unit and recovery system, owned and operated by Northeast Biodiesel at the Facility, is an "affected facility" under Subpart NNN.



13. According to 40 CFR §60.7(a)(1), any owner and operator subject to this part shall furnish the administrator written notification of the date of construction, postmarked no later than 30 days after such date.

14. Northeast Biodiesel has failed to submit a notification of the date of construction to EPA.

### **ENFORCEMENT**

15. EPA may take any or all of the following actions: (a) issue an order requiring compliance with the Act; (b) issue an administrative penalty order; or (c) bring a civil action in federal district court for an injunction and/or monetary penalties up to \$37,500 per day for each violation. See Sections 113(a), (b) and (d) of the Act, 42 U.S.C. §§ 7413(a), (b) and (d), and 40 C.F.R. Part 19 as amended by 73 Fed. Reg. 75340-46 (Dec. 11, 2008) (Clean Air Act judicial and administrative penalties raised from \$25,000 to \$37,500 effective January 12, 2009).

16. If Northeast Biodiesel has knowingly violated the requirements of the Act, Northeast Biodiesel and its responsible corporate officers may be subject to criminal penalties under Title 18 of the United States Code, imprisonment for not more than five years, or both. See Section 113(c) of the Act, 42 U.S.C. § 7413(c).

17. Be advised that issuance of this NOV does not preclude EPA from electing to pursue any other remedies or sanctions authorized by law that are available to address these violations.

### **OPPORTUNITY TO CONFER**

18. If Northeast Biodiesel has any questions regarding this NOV, please contact environmental engineer Darren Fortescue at (617) 918-1164, or have your legal counsel contact Thomas T. Olivier, Senior Enforcement Counsel, at (617) 918-1737. Northeast Biodiesel may request an opportunity to confer with EPA by contacting Mr. Fortescue or Mr. Olivier at the phone numbers listed above.

### **EFFECTIVE DATE AND APPLICABILITY**

19. This NOV is effective as of the date signed below and applies to Northeast Biodiesel and its officers, agents, servants, employees, successors, and assigns, and to all persons, firms, and corporations acting under, through, or for Northeast Biodiesel.

Susan Studlien  
Susan Studlien, Director  
Office of Environmental Stewardship  
U.S. Environmental Protection Agency  
Region I – New England

05/06/15  
Date